

**June 15, 2007****2007 Legislative Amendments to the Indiana Code Relating to Money Transmitters****Effective July 1, 2007****Questions, Answers, and Administrative Interpretations****1. What changes have been made in the information required on an application for a money transmitters license?**

Answer – With respect to an applicant's criminal history, the law requires that an applicant disclose any criminal indictments, convictions and guilty or nolo contendere pleas for felonies involving fraud, deceit, or misrepresentation under the laws of Indiana or any other jurisdiction. The law has also been clarified to provide that the applicant is not required to submit the information about other businesses if the location at which the other business will be conducted is simply the place of business of an authorized delegate not under common control with the applicant. For example, if a licensed money transmitter is operating in a grocery store that is not under common control with the money transmitter, no disclosure of the grocery business is required. [IC 28-8-4-24]

If the applicant is not a corporation, the applicant must also provide the name, business and residential addresses, federal tax returns with schedules for the three (3) years preceding the date of the application, and employment history for each principal and each person who will be in charge of applicant's licensed activities. Applicants who are not corporations must provide for each individual having an ownership interest and each individual who exercises supervisory responsibility a history of material litigation and history of any criminal indictments, convictions and guilty or nolo contendere pleas for felonies involving fraud, deceit, or misrepresentation under the laws of Indiana or any other jurisdiction. [IC 28-8-4-26]

If the applicant is a corporation or other entity, the applicant is required to disclose for any of its executive officers, key shareholders and other owners, directors or other individuals who exercise supervisory responsibility the name, business and residential addresses, employment history, history of material litigation and history of any criminal indictments, convictions and guilty or nolo contendere pleas for felonies involving fraud, deceit, or misrepresentation under the laws of Indiana or any other jurisdiction. [IC 28-8-4-25]

**2. When are licenses for money transmitters renewed?**

Answer – The date of submission for the annual fee for the renewal of licenses for money transmitters has been changed to March 31 of each year. [IC 28-8-4-37]

**3. What changes have been made relating to the renewal of licenses for money transmitters?**

Answer - Instead of submitting an annual report which includes the licensee's most recent audited consolidated annual financial statement, a licensee which is a wholly owned subsidiary may submit its parent's most recent consolidated audited annual financial statement or its parent's Form 10K reports filed with the Securities and Exchange Commission for the previous three (3) years, along with the licensee's unaudited annual financial statement.

A financial statement required to be submitted under these provisions must be prepared by a certified public accountant authorized to do business in the United States in accordance with AICPA Statements on Standards for Accounting and Review Services (SSARS). A financial statement not covering the immediately preceding twelve (12) month period is not considered the most recent statement for purposes of license renewal. [IC 28-8-4-38]

**4. What information relating to money transmitters must be disclosed periodically to the DFI?**

Answer – A licensed money transmitter, its executive officers, key shareholders and other owners, directors or other individuals who exercise supervisory responsibility shall notify the DFI on the earlier of its renewal date or within 30 days of occurrence if the money transmitter or the individuals listed above are under indictment for or have been convicted of or pleaded guilty or nolo contendere to a felony involving fraud, deceit, or misrepresentation under Indiana or any other jurisdiction's laws. [IC 28-8-4-40.6]